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Chief Administrative Officer

County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE
REAL ESTATE DIVISION

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April 27, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**RESOLUTION AND NOTICE OF INTENTION TO PURCHASE REAL
PROPERTY UNINCORPORATED LOS ANGELES COUNTY
LA SIERRA CANYON AREA, C.P. 77418
(THIRD DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the acquisition of the above referenced property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA).
2. Adopt the enclosed Resolution and Notice of Intention to purchase 28.11 acres of unimproved real property located in the unincorporated La Sierra Canyon area of the Santa Monica Mountains for a purchase price of \$203,110.
3. Instruct the Executive Officer of the Board of Supervisors to carry out the necessary legal advertising pursuant to Government Code Section 25350.
4. Approve and instruct the Chairman to sign duplicate copies of the attached Purchase and Sale Agreement with the Mountains Recreation and Conservation Authority.

IT IS FURTHER RECOMMENDED THAT, AT THE TIME OF CONSUMMATION, YOUR BOARD:

1. Order the purchase consummated in accordance with Section 25350 of the Government Code.
2. Authorize the Chief Administrative Office (CAO) to execute any required documentation necessary to complete the transfer of title to the County of Los Angeles (County) and to accept the deed conveying title to the County.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

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3. Authorize the Auditor-Controller to issue a warrant and to deposit funds in the amount of the purchase price into an escrow account with Chicago Title Company.
4. Approve and instruct the Chairman of the Board to sign the attached Agreement with the Mountains Restoration Trust (MRT) to manage the acquired property.
5. Request the Assessor to remove the subject real property from the tax roll effective upon the transfer of title.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to accomplish a transfer of title to 28.11 acres of unimproved real property (Assessor's parcels 2058-017-011 and 2058-017-016) located in the unincorporated La Sierra Canyon area of the Santa Monica Mountains from the Mountains Recreation and Conservation Authority (MRCA) to the County. The subject property is located entirely within a County-designated Significant Ecological Area. The proposed acquisition will preserve and protect undisturbed watershed and wetland which provides a unique wildlife habitat.

On December 17, 2002, your Board approved a resolution authorizing the Department of Parks and Recreation to submit an application for a \$300,000 grant from the State Habitat Conservation Fund (HCF) for this property acquisition. As a result, the State approved and awarded an HCF grant for this acquisition in the amount of \$210,500.

The MRCA has agreed to partner with the County to negotiate and pre-acquire the subject property for \$890,000 from the private owner, the James C. Hormel Trust. MRCA, in turn, will convey title to the County, because the State HCF grant requires that title may only be held by governmental entities. A double escrow will be established at Chicago Title Company in which the County will deposit its purchase price of \$203,110 into escrow, and MRCA will deposit \$200,000 from developer mitigation funds. In addition, MRCA will deposit \$486,890 plus escrow costs from funding granted to the Santa Monica Mountains Conservancy (SMMC) and sub-granted to MRCA from the Safe Neighborhood Parks Proposition of 1996. As a related item on today's agenda, the Regional Park and Open Space District is recommending that your Board add the proposed property acquisition to

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the approved list of SMMC projects and has estimated \$539,500 to cover its portion of the purchase price (\$486,890) plus \$52,610 for escrow fees and for reimbursement of MRCA's administrative and acquisition expenses to be handled outside of escrow.

The County does not have the personnel or funding necessary to manage this property. Instead, MRT, which possesses the requisite expertise and experience, has offered to manage the property as provided in the attached Management Agreement effective upon the transfer of title to the County.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed recommendations further the Board-approved County Strategic Plan Goal 1 (Service Excellence) and Goal 6 (Community Service) by enabling the preservation of open space and sensitive riparian and wildlife habitat, and by expanding passive recreational opportunities in Los Angeles County. Your Board's approval of these recommendations will also further Goal 4 (Fiscal Responsibility) through public/private partnership involving the State and its HCF grant program, MRCA, SMMC, MRT, and the County to accomplish the acquisition of this property and to provide for long-term property management at no County cost.

FISCAL IMPACT/FINANCING

The \$203,110 in monetary consideration to be paid to MRCA is solely from the \$210,500 of State HCF grant funds awarded to the County. The County's total project cost of \$210,500 also includes an estimated \$7,390 paid to the Department of Public Works (DPW) for review of title, legal description, and Phase I environmental site assessment. Sufficient funding is included in the Fiscal Year 2003-04 Capital Projects/Refurbishment Budget under C. P. No. 77418 for the acquisition and DPW services.

The acquisition will not result in any one-time or ongoing operating and maintenance costs for the Department of Parks and Recreation. As provided in the attached Management Agreement, MRT will assume all property management responsibility at its sole expense.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The subject property, as shown on the attached map, contains 28.11 acres and is located on the west side of Mulholland Highway in the north-central portion of the Santa Monica Mountains between Seminole Hot Springs/Cornell on the north and Castro Peak on the south, and is bounded on all sides by undeveloped land in its natural state. The property is zoned A1-1 (agricultural), which allows development of one dwelling unit per acre.

The estimated fair market value of the property is \$1,050,000 as established by an outside appraisal. The HCF grant requires 50 percent matching from non-State sources. This requirement is satisfied with the use of Safe Neighborhood Parks Proposition and developer mitigation funding. As a part of MRCA's conveyance of title, MRCA will reserve a conservation easement to ensure that the property is preserved in its natural condition in perpetuity.

Under the attached Management Agreement, MRT will manage, operate, and maintain the property at its sole expense for a term of 55 years effective upon transfer of title to the County. Since MRT is providing property management services on a gratis basis, the standard contracting terms and conditions relating to liquidated damages and record retention and auditing have been waived. As such, the terms and conditions of this agreement are similar to that of other property management agreements entered into with MRT by your Board for other nearby open space properties owned by the County in the Santa Monica Mountains.

The Department of Parks and Recreation has reviewed and concurs with the recommended actions. The CAO, pursuant to Government Code Section 65402, has provided notification to the Regional Planning Department of the County's intent to purchase the subject property. DPW has reviewed and approved the preliminary title report issued by Chicago Title Company, who will insure title, and it has reviewed a Phase I environmental site assessment of the property and concurs with the consultant's conclusions that no further investigations of surface and subsurface conditions are warranted. County Counsel has approved all documents in this transaction, including the Resolution and Notice of Intention, Purchase and Sale Agreement, and property Management Agreement, as to form.

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ENVIRONMENTAL DOCUMENTATION

This acquisition is categorically exempt from CEQA pursuant to Sections 15316 (a) and 15325 (a) of the State CEQA Guidelines and Classes 16 and 25 of the County's Environmental Document Reporting Procedures and Guidelines.

IMPACT ON CURRENT SERVICES OR PROJECTS

The recommended actions will serve to increase passive recreational opportunities for the public and will have no impact on any other current County services or projects.

CONCLUSION

It is requested that the Executive Officer of the Board of Supervisors return duplicate conformed copies of the adopted Board letter and two certified copies of the Minute Order to the CAO for further processing.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:CWW
DS:pe

Attachments (4)

c: County Counsel
Auditor-Controller
Department of Parks and Recreation
Assessor
LaSierraCyn.b